No. 15210

United States Court of Appeals

for the Ninth Circuit

RENNIE & LAUGHLIN, INC., a Corporation,

Appellant.

vs.

CHRYSLER CORPORATION,

Appellee.

Transcript of Record

Appeal from the United States District Court for the Southern District of California, Central Division.

Phillips & Van Orden Co., 870 Brannan Street, San Francisco, Calif.—9-28-56

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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italic; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italic the two words between which the omission seems to occur.]

NAMES AND ADDRESSES OF ATTORNEYS

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United States District Court, Southern District of California, Central Division

No. 18518-C

RENNIE & LAUGHLIN, INC., a California Corporation,

Plaintiff,

vs.

CHRYSLER CORPORATION, a Delaware Corporation,

Defendant.

COMPLAINT
(Breach of Contract)

Comes Now the Plaintiff and for cause of action against the defendant, complains and alleges, as follows:

I.

That at all times herein mentioned plaintiff was and now is a corporation duly organized under the laws of the State of California.

II.

That at all times herein mentioned defendant was and now is a corporation duly organized under and by virtue of the laws of the State of Delaware.

III.

That on or about the 12th day of December, 1949, Plaintiff and Defendant entered into a certain contract in writing in the State of Michigan, a copy of

which is attached hereto as Exhibit A, and made a part hereof.

IV.

That by reason of said contract herein annexed as Exhibit A, Plaintiff was made a direct dealer by Defendant, with a non-exclusive right to purchase DeSoto and Plymouth motor vehicles and parts and accessories thereof for re-sale in the vicinity of Los Angeles, California, under the terms and conditions as are more fully set forth under said contract.

V.

That from the date of said contract, annexed hereto as Exhibit A, to wit, December 12, 1949, Plaintiff operated as a DeSoto and Plymouth Dealer in the vicinity of Los Angeles continuously through the period covered by this complaint.

VI.

That on or about the 20th day of February, 1952, Plaintiff and Defendant entered into a certain contract in writing in the State of Michigan, a copy of which is attached hereto as Exhibit B, and made a part hereof, under the terms of which Plaintiff continued to represent Defendant as a DeSoto and Plymouth Dealer in the vicinity of Los Angeles, California.

VII.

During the period commencing in the month of April, 1951, Plaintiff sustained an operating loss in its business as a direct Dealer for Defendant, which operating loss continued during the subse-

quent months of 1951; and in the month of July, 1951, President of Plaintiff corporation, and the active manager of Plaintiff's business, J. C. Rennie, sustained a heart attack which resulted in his hospitalization during July, and prevented the said J. C. Rennie from being able to devote his time and efforts to Plaintiff corporation.

VIII.

Due to the aforesaid losses being sustained by Plaintiff and the ill health of President of Plaintiff corporation as aforesaid, Plaintiff advised Defendant corporation in September, 1951, that Plaintiff corporation desired to sell its business to a prospective buyer. Defendant corporation through its authorized agents, advised Plaintiff corporation that they would secure a buyer for Plaintiff corporation who was not only financially able to purchase said business but one who would be acceptable to Defendant corporation.

IX.

On or about the 1st day of October, 1951, Plaintiff corporation commenced negotiations with one Darwin C. McCredie and one George Peck for the purchase of Plaintiff's business, said buyers having been referred to Plaintiff corporation by the agents of Defendant corporation.

X.

Thereafter, with the full knowledge and consent of Defendant, negotiations were had with said prospective purchasers which resulted in a final sale

being made of Plaintiff's business to said prospective buyers on October 26, 1951; and by the terms of said agreement of sale said prospective buyers agreed to pay Plaintiff corporation Seventy-Seven Thousand, Nine Hundred Twenty-One and 69/100 ($77,921.69) Dollars, and in addition thereto said prospective purchasers agreed to assume the lease under which Plaintiff corporation was operating its business and assume all business and corporate expenses after the date of said sale; and it was further agreed, on said date, that the formal contract of sale would be made on the 27th day of October, 1951, and the purchase price paid at that time.

XI.

On or about the 27th day of October, 1951, prior to the completion of said sale, Defendant corporation advised Plaintiff corporation that they would not consent to said sale of the business to said prospective buyers or would not consent to the sale of the business to any other purchaser.

XII.

That said refusal of Defendant corporation to permit and allow Plaintiff to sell said business to said purchasers constituted a breach of said sales contract annexed hereto as Exhibit A.

XIII.

That by reason of the failure and refusal of Defendant to consent to said sale of said business it was necessary that Plaintiff corporation enter into

a management contract with said prospective purchasers wherein and whereby Plaintiff turned over to said purchasers its entire business on a management basis.

XIV.

Thereafter, by reason of continued losses during said management period, said business was closed by Plaintiff corporation and Plaintiff discontinued operating as a direct dealer for Defendant.

XV.

That at all times herein mentioned Plaintiff fully performed all things required of Plaintiff by the terms of said contract, Exhibit A attached hereto.

XVI.

That by reason of the breach of said contract by Defendant by refusing to approve the sale of said business by Plaintiff as aforesaid, Plaintiff was not paid and received no part of said sale price for said business, to wit, the sum of Seventy-Seven Thousand Nine Hundred Twenty-One and 69/100 ($77, 921.69) Dollars, all to Plaintiff damage in said sum.

XVII.

As a further proximate result of said Defendant's breach of said contract, Plaintiff corporation, in the operation of its business from the date of the refusal of Defendants to allow the sale of said business, to wit, the 27th day of October, 1951, to the date said business was finally terminated and closed, to wit, on the 31st day of March, 1954, Plaintiff corporation sustained losses in the amount of One

Hundred Two Thousand, Six Hundred Eighty-Six and 64/100 ($102,686.64) Dollars, all to Plaintiff's further damage in said sum.

XVIII.

Plaintiff, by reason of the acts of Defendant in refusing to permit the sale of said business of Plaintiff as aforesaid, and as a proximate result thereof, sustained damage to Plaintiff's reputation as an automobile dealer in the vicinity of Los Angeles, California, which damage was irreparable, all to Plaintiff's further damage in the sum of Three Hundred Thousand and no/100 ($300,000.00) Dollars.

XIX.

That the acts of Defendant as aforesaid in refusing to permit said sale and transfer all Plaintiff's business were without cause and arbitrary.

Wherefore, Plaintiff prays for judgment against the Defendant as follows:

1. The sum of Seventy-Seven Thousand, Nine Hundred Twenty-One and 69/100 ($77,921.69) Dollars, by reason of the loss of the sale of Plaintiff corporation;

2. The sum of Seventy-Seven Thousand, Nine Hundred Twenty-One and 69/100 ($77,921.69) Dollars, by reason of the breach of said contract by said Defendant;

3. The sum of One Hundred Two Thousand, Six Hundred Eighty-Six and 64/100 ($102,686.64) Dol-

lars, by reason of Plaintiff's further damage as the result of sustained losses;

4. The sum of Three Hundred Thousand ($300,000.00) Dollars, by reason of sustained damage to Plaintiff's reputation as an automobile dealer;

5. For costs of suit incurred herein; and,

6. For such other and further relief as to the Court seems meet and proper in the premises.

SPRAY GOULD & BOWERS,

By /s/ CHARLES P. GOULD,
Attorney for Plaintiff.

EXHIBIT A

No. 527
California Zoned
Duplicate for Direct Dealer

Agreement
Between
De Soto Direct Dealer
and
Chrysler Corporation
De Soto Division

This Agreement is made by and between Rennie & Laughlin, Inc., a Corporation, hereinafter called Direct Dealer, and Chrysler Corporation, a Delaware corporation, for its De Soto Division, hereinafter called De Soto.

Purposes of this Agreement

The success of Direct Dealer and of De Soto are both dependant upon a continuing good will on the part of the public toward De Soto and Plymouth products and policies. Both Direct Dealer and De Soto recognize and assume in this agreement certain responsibilities to each other and to the public. The success of each direct dealer is either promoted or hindered by the business conduct of all other direct dealers, and particularly by other direct dealers in his immediate vicinity. Direct Dealer recognizes and assumes in this agreement that his adherence to the terms thereof, and the adherence thereto by all other direct dealers, is a matter of mutual importance and consequence to himself, to all other direct dealers and to De Soto. The mutual effort of all concerned is directed to providing the consuming public with products of improved design, produced under conditions conducive to efficiency and high quality, and sold in accordance with fair policies and practices, in the belief and confidence that in so doing the most stable and profitable business for both Direct Dealer and De Soto will be built and maintained.

The purpose of this agreement is to set forth in a clear and understandable way the terms and conditions under which De Soto and Direct Dealer agree to do business together and thus to facilitate Direct Dealer's purchases and resale of De Soto and Plymouth products.

De Soto recognizes a sound dealer organization as essential to its own success. Under this agreement it is De Soto's aim not only to provide Direct Dealer with good merchandise for resale, but also to have a fair, mutually helpful and friendly business association exist between Direct Dealer and De Soto.

The sale of motor vehicles requires merchandising methods particularly adapted to this business. De Soto depends upon dealers for more than the sale of its products to the public. The public charges De Soto with a responsibility for De Soto and Plymouth products long after the dealer sells them. The public expects De Soto for years to come to make available for convenient purchase necessary replacement parts, to encourage the maintenance of adequate supplies of these parts throughout the country and to see to it that service stations manned with competent mechanics are readily available.

De Soto through the expenditure of money and effort promotes and facilitates in many ways the sale and servicing of De Soto and Plymouth products; through advertising, publicity and other activities it contributes substantially to a favorable public attitude toward De Soto and Plymouth products and policies. This established good will constitutes an inherent element of value to Direct Dealer under this agreement. Direct Dealer invests his capital, applies his efforts and experience, and identifies his reputation as a merchant and a business man with the sale and servicing of De Soto and Plymouth products under this agreement. The re-

sult is that Direct Dealer and De Soto have a common interest in the public good will toward De Soto and Plymouth products, toward the dealer and toward De Soto. Under these circumstances understanding and cooperation between Direct Dealer and De Soto are essential to both.

This agreement under which Direct Dealer and De Soto operate recognizes these principles as being necessary to insure business success. It is recognized that of the many factors which determine an individual direct dealer's success there are many which are beyond the control or responsibility of De Soto or its ability to make his operation successful; and De Soto is not in a position to assume such responsibility. Under this agreement Direct Dealer receives important advantages and privileges. He assumes responsibility to develop actively and diligently the sales and servicing of De Soto and Plymouth products in the sales area allotted to him, and De Soto endeavors to cooperate with him in so doing, but in the event of his failure or inability to develop his sales area, Direct Dealer recognizes that it is proper for De Soto to take such measures as may in De Soto's opinion be necessary to cause the sales possibilities of the area to be realized, and the service responsibilities to be performed.

The terms of the agreement are the result of many years of experience and study by De Soto as well as of suggesetions by dealers themselves. Essentially the arrangements between De Soto and Direct Dealer seek to make it easier for Direct Dealer to

buy motor vehicles and parts and accesories from De Soto and easier for the public to buy motor vehicles and parts and accessories from Direct Dealer.

In order to promote this result, De Soto endeavors to provide Direct Dealer with products of a quality that will render good service to the user under fair and reasonable terms and to cooperate with Direct Dealer in effectively merchandising its products to the public. Direct Dealer will endeavor to the best of his ability and resources to sell such products in the sales area allotted to Direct Dealer and under conditions which experience indicates are necessary for successful motor vehicle sales development.

The success of these endeavors, among other things, requires:

A. A suitable place of business established by Direct Dealer for the proper representation of De Soto and Plymouth products, including appropriate stocks of new motor vehicles, parts, and accessories, salesroom, parts department and service station, with appropriate organization and equipment, all in keeping with policies which De Soto together with its direct dealers' experience has found to be necessary for successful dealer operations.

B. Active promotion and development of the sale of De Soto and Plymouth products on the part of Direct Dealer in his sales area; prompt, efficient and courteous service to customers in conformance with service policies recommended by De Soto, including the carrying out of the provisions of the

Owner's Service Policy which is necessary to promote owner good will, and the display and maintenance of De Soto and Plymouth sales and service signs.

C. Appointment by Direct Dealer of associate dealers acceptable to De Soto at such points in his sales area as may be designated by De Soto in order to develop the market for motor vehicles and parts in that sales area, and responsibility on the part of Direct Dealer for their proper functioning along sales and service lines.

The terms of this agreement relate to the foregoing principles and policies and are intended to operate in practice to the mutual benefit of Direct Dealer and De Soto and the consumer.

The parties, therefore, agree as follows:

1.

Selling

Within the bounds of the sales area allotted to Direct Dealer, Direct Dealer agrees to sell energetically the vehicles, parts and accessories he buys from De Soto and to provide and maintain facilities for selling and servicing them which are adequate to serve properly the public in the sales area.

Direct Dealer also agrees to use his best efforts to procure, appoint and maintain at such points in his sales area as De Soto shall designate from time to time, and at no other points, associate dealers ac-

ceptable to De Soto and able in the opinion of De Soto to qualify with sufficient capital, finance facilities, stocks of vehicles, parts and accessories, proper signs, showrooms, and service facilities together with adequate organization, all on a standard appropriate in the opinion of De Soto to develop the market available at the points for which Direct Dealer appoints them.

Direct Dealer agrees not to sell De Soto or Plymouth motor vehicles or parts or accessories to be exported or shipped within thirty (30) days after the date of such sale to a point in a second direct dealer's sales area outside the continental United States; and if any motor vehicle sold by Direct Dealer is so exported and shipped and remains in second direct dealer's sales area for ninety (90) days, then Direct Dealer upon request of De Soto shall divide the discount with the second direct dealer so that each shall have fifty per cent (50%) of such discount.

Direct Dealer agrees not to sell at wholesale any motor vehicles purchased from De Soto other than to his own authorized associate dealers, except that Direct Dealer may sell De Soto and/or Plymouth motor vehicles to other De Soto direct dealers at a handling charge to the selling Direct Dealer not to exceed five per cent (5%) of the Detroit delivered price of the vehicles sold.

2.

Prices and Discounts

De Soto will from time to time advise Direct Dealer of the prices of the vehicles and parts and accessories he buys from De Soto, and will furnish Schedules of Discount and Terms of Purchase to Direct Dealer.

3.

Orders for Motor Vehicles

In order to facilitate the orderly scheduling of production and shipments from week to week, Direct Dealer agrees to submit weekly his orders for new motor vehicles. Direct Dealer also agrees to comply with De Soto's request for annual or other estimates of Direct Dealer's prospective requirements of De Soto and Plymouth products, but such estimates are not to be regarded as orders or scheduled for production for Direct Dealer.

De Soto and Plymouth motor vehicles are made on Direct Dealer's order and are scheduled for production after Direct Dealer's order is received. Direct Dealer is expected to accept any motor vehicle ordered by him and scheduled for production. De Soto will not ship motor vehicles to Direct Dealer except on Direct Dealer's order. All orders are subject to approval and acceptance by De Soto at its principal place of business.

4.

Reports

Direct Dealer recognizes that De Soto in the conduct of its manufacturing operations, in the incurring of its commitments for raw materials, and in the employment of labor, needs for the intelligent direction of its affairs, up-to-date and accurate information on direct dealer and associate dealer stocks of cars, new and used, and on direct dealers and associate dealers retail sales; therefore, Direct Dealer agrees to cooperate with De Soto by reporting for himself and his associate dealers such information in such manner, at such times and on such forms as De Soto may from time to time request.

Direct Dealer recognizes the value of proper records and accounts and agrees to keep up to date De Soto uniform standard accounting system and procedure or some other system or procedure which will accomplish the same result. De Soto undertakes to cooperate with those dealers who furnish regular quarterly statements of their operations for comparative purposes in developing data and information for the purpose of improving dealer operations and profit possibilities through consultation and advice based on the comprehensive study of the information furnished by the reporting dealers.

5.

Direct Dealer Is Not Agent

For the protection of both Direct Dealer and De Soto, the relationship created by this agreement be-

tween De Soto and Direct Dealer is not that of principal and agent, and under no circumstances is Direct Dealer to be considered the agent of De Soto.

6.

Change in Price on Current Models

With a view to protecting Direct Dealer in the event of price changes on then current models, De Soto agrees that should it reduce the price on any then current model De Soto or Plymouth motor vehicle, De Soto will refund in cash or by a credit against current indebtedness to Direct Dealer with respect to each new, unused and unsold De Soto and Plymouth motor vehicle of such model purchased by Direct Dealer that is in Direct Dealer's stock or in the stock of his associate dealers of record with De Soto at the time such reduction was made, an amount equal to the difference between the ultimate cost to Direct Dealer at the former price and at the reduced price, provided claim for such refund supported by evidence satisfactory to De Soto is made by Direct Dealer in writing within thirty (30) days of the effective date of such reduction in price. Direct Dealer agrees to make refunds to his associate dealers upon the same basis and under similar conditions.

De Soto will advise Direct Dealer of any increase in price on any then current model De Soto or Plymouth motor vehicle. Direct Dealer may cancel any orders placed by him previous to the giving of such

notice for motor vehicles affected by the price increase.

7.

Reasons for Termination Other Than by Notice

While it is the desire of De Soto to establish lasting arrangements with Direct Dealer, it is recognized that certain conditions may arise in which it is impracticable for this agreement to continue in effect. In the interest of friendly relations between Direct Dealer and De Soto, it is important that the circumstances be set forth so that they may be thoroughly understood by both parties to this agreement. Accordingly it is agreed that this agreement shall terminate immediately by its own force without notice from either party in the event of (1) an attempted assignment of this agreement by Direct Dealer without De Soto's written consent; (2) an assignment by Direct Dealer for the benefit of creditors; (3) the admitted insolvency of Direct Dealer; (4) the institution of voluntary or involuntary proceedings by or against Direct Dealer in bankruptcy or under insolvency laws or for corporate reorganization, or for a receivership or for the dissolution of Direct Dealer; (5) the admitted insolvency of any member of Direct Dealer if a partnership; (6) the assumption of any other line of motor vehicles for sale by Direct Dealer, without the written consent of the General Sales Manager or an executive officer of De Soto; or (7) the discontinuance of Direct Dealer's distribution and resale in his sales area of the products herein referred to. Termination under

this paragraph shall not impose any liability upon De Soto under the provisions of Paragraph 8. It is further agreed by Direct Dealer that he will immediately advise De Soto in writing of the occurrence of any event specified in this paragraph.

8.

Termination by Notice

It is also recognized that certain other conditions may arise under which either party may desire to terminate this agreement by giving reasonable notice to the other party. Accordingly it is agreed that this agreement may be terminated, at any time upon not less than ninety (90) or more than ninety-five (95) days' written notice by De Soto or upon not less than fifteen (15) or more than twenty (20) days' written notice by Direct Dealer, but either of these periods may be reduced by mutual written consent of Direct Dealer and De Soto. Termination under the provisions of this Paragraph 8 by De Soto shall not be effective unless the notice bears the written approval of the General Sales Manager or an executive officer of De Soto. Termination of this agreement shall operate as a cancellation of all unfilled orders for motor vehicles, parts and accessories. Upon termination under the provisions of this Paragraph 8 by De Soto or by Direct Dealer, De Soto agrees to buy, and Direct Dealer agrees to sell within (30) days after the effective date of termination:

(a) All new and unused then current model De

Soto and Plymouth motor vehicles which were purchased by Direct Dealer from De Soto and/or Chrysler Motors of California and are then the property of and in the possession of Direct Dealer, at the net invoice price to Direct Dealer current at the date of termination, including transportation charges paid by Direct Dealer, except vehicles built on Direct Dealer's specific order to other than De Soto standard specifications, which special vehicles, together with all special equipment pertaining thereto as previously specially specified by Direct Dealer, may or may not be purchased by De Soto at its option.

(b) All new, unused and undamaged De Soto and Plymouth parts for the then current and three (3) preceding models, which were purchased by Direct Dealer from De Soto and/or Chrysler Motor Parts Corporation and/or Chrysler Motors of California and/or any authorized Chrysler Corporation Parts Wholesaler, and are then the property of and in the possession of Direct Dealer, at the net invoice price to Direct Dealer then current at the date of termination, exclusive of transportation charges thereon, less any necessary costs incurred by De Soto for refinishing or reconditioning parts to restore them to their original salable condition. Prior to such purchase by De Soto, Direct Dealer shall deliver said parts for inspection F.O.B. Factory or any other point designated by De Soto.

(c) All signs of a type recommended by De Soto belonging to Direct Dealer, showing the names

"De Soto" or "Plymouth," at a price to be agreed upon by De Soto and Direct Dealer.

Upon termination under the provisions of this Paragraph 8 by De Soto, but not on termination by Direct Dealer, De Soto also agrees to buy within thirty (30) days after the effective date of termination on written request of Direct Dealer:

(a) All then current De Soto and Plymouth new, unused and undamaged accessories or accessories packages complete as supplied to and purchased by Direct Dealer from De Soto and/or Chrysler Motors Parts Corporation and/or Chrysler Motors of California during the six (6) months immediately preceding the effective date of such termination and which are then the property of and in the possession of Direct Dealer, at the net invoice price paid by Direct Dealer, exclusive of transportation charges thereon paid by Direct Dealer. Prior to such purchase by De Soto, Direct Dealer shall deliver said accessories for inspection F.O.B. Factory or any other point designated by De Soto.

(b) Special tools of a type recommended by De Soto, adapted only to the servicing of De Soto and Plymouth motor vehicles and purchased by Direct Dealer during the twelve (12) months immediately preceding the effective date of such termination at a price and under terms and conditions to be agreed upon by De Soto and Direct Dealer.

9.

Transactions After Termination

In the event the agreement is terminated, the acceptance of orders from Direct Dealer by De Soto or the continuance of the sale of products herein referred to in Direct Dealer's sales area or the referring of inquiries to Direct Dealer by De Soto or any other act of De Soto shall not be construed as a renewal of the agreement nor as a waiver of the termination, but nevertheless all such transactions shall be governed by terms identical with the terms of the agreement.

10.

Use of Trade Names

Direct Dealer and De Soto desire to protect the public from confusion or uncertainty or misleading misrepresentation. Direct Dealer agrees not to use in his corporate, firm or individual name, or allow to be used by others in their corporate, firm or individual names, in so far as he has any power to prevent such use, the words "De Soto" and/or "Plymouth" and/or any other name adopted by De Soto for motor vehicles, parts, accessories or service, or any words or names or combination of words or names closely resembling any of them except with the written approval of De Soto. Direct Dealer agrees that upon termination of this agreement, he will immediately discontinue the use of names, trademarks, signs, stationery, advertising, or any-

thing else that might make it appear that he is still handling De Soto and Plymouth vehicles, parts and accessories.

11.

Assignment of Associate Dealer Agreements

Direct Dealer and De Soto desire to protect the public served by associate dealers operating under Direct Dealer and to protect these associate dealers in their business. Therefore, upon termination of this agreement, the termination shall, subject to the option of De Soto to disaffirm, operate as an assignment by Direct Dealer to De Soto of all associate dealer agreements which Direct Dealer shall have entered into, including all the rights, title and interest therein vested in Direct Dealer at the effective date of the termination. Direct Dealer will execute and deliver written assignments of said associate dealer agreements to De Soto upon requeset of De Soto. Nothing contained in this Paragraph 11 or in any such assignment shall make or be construed to make De Soto responsible for any previous obligations, acts or defauts of Direct Dealer under said agreements nor shall Direct Dealer be relieved or released from obligations previously incurred under the said associate dealer agreements. The option of De Soto to disaffirm any assignment effected under this Paragraph 11 may be exercised by notification to associate dealer at any time after the effective date of termination of this agreement.

12.

Former Agreements

This agreement cancels all prior agreements, verbal or written, between De Soto and Direct Dealer. No representative of either party except as herein explicitly provided has any authority to waive any of the provisions of this agreement or to modify or change any of its terms, and no change, addition or erasure of any printed portion of this agreement (except filling in of blank spaces and lines) shall be valid or binding upon either party.

13.

Sale for Resale by Unauthorized Persons

Purchasers of De Soto and Plymouth products expect them to operate properly and to secure prompt service of them. To this end as well as in the interest of fair dealing between direct dealers themselves and direct dealers and other dealers, and as a matter of protection of each other's sales area, Direct Dealer agrees not to participate in the sale or attempted sale of any De Soto or Plymouth motor vehicle to unauthorized dealers, sales and service connections, or any other unauthorized person, firm or corporation for the purpose of resale. If any De Soto or Plymouth motor vehicle is so sold by Direct Dealer to any unauthorized dealer, sales and service connection or any other unauthorized person, firm or corporation, and is thereafter resold or offered for resale as a new motor vehicle or as a demonstrator within ninety (90) days after the date of such sale

thereof by Direct Dealer, Direct Dealer agrees to pay to De Soto, immedaitely upon request of De Soto, Seventy-five Dollars ($75.00) for each vehicle so resold or offered for resale, as liquidated damages to compensate dealer in whose sales area such motor vehicle was resold or offered for resale to a retail purchaser for injury suffered as the result of such unauthorized resale or offering for resale in his sales area. Such liquidated damages may, at the option of De Soto, be charged by De Soto against the parts account of offending Direct Dealer or may be included in the amount of any draft covering shipment of De Soto or Plymouth products to offending Direct Dealer. In no event shall Direct Dealer be charged more than Seventy-five Dollars ($75.00) on any one motor vehicle so resold or offered for resale. While De Soto is under no legal obligation to collect any money whatsoever hereunder, it is the intention of De Soto to enforce the provisions of this paragraph. If said resale or offer for resale shall occur in the sales area of more than one authorized dealer, De Soto will divide equitably between such dealers the money collected by it as aforesaid, and the decision of De Soto regarding the division of compensation between dealers in the sales area in which such motor vehicle was resold or offered for resale shall be final.

14.

Relations Between Dealers

In the interest of fair dealing between direct dealers themselves and direct dealers and other

dealers, and as a matter of protecting each other's sales area and with a view to promoting good service to the public, Direct Dealer agrees to confine his selling efforts entirely to the sales area assigned to him by De Soto and agrees that he will not by personal solicitation, advertising, correspondence, resident salesmen, unofficial representation or by any other connection or means, directly or indirectly solicit, or induce any other person to solicit on his behalf, the sale of new and unused De Soto or Plymouth motor vehicles, or demonstrators, in any other sales area.

For each breach of the provisions of this Paragraph 14, resulting in a sale of a new and unused De Soto or Plymouth motor vehicle or demonstrator, Direct Dealer agrees to pay to De Soto as liquidated damages for equitable division between authorized dealer or dealers who, in the opinion of De Soto, are injured by the improper sale, the sum of Seventy-five Dollars ($75.00) to compensate them for the injury. The provisions of this Paragraph 14 shall not apply to sales solicitation by a dealer of any quantity purchaser who has a main or branch office or authorized representative's headquarters within the sales area of the selling dealer.

The decision of De Soto on all matters in connection with claims arising under this Paragraph 14 shall be final.

15.

Sales by De Soto to Quantity Purchasers

Direct Dealer and De Soto recognize that there are certain types of buyers to which De Soto should offer to sell its products directly. Therefore, De Soto reserves the right to sell any products referred to in this agreement to its Employees, to Governmental Bodies, to Fleet Buyers for their own use or for the use of their agents, or representatives, to Taxicab or Drive-It-Yourself Companies, so-called, or to businesses purchasing chassis in quantities for installation of their own body equipment.

16.

Sales by De Soto to Others Than Quantity Purchasers

De Soto shall also have the right to sell to any person, firm or corporation other than a Quantity Purchaser, for their own use or for the use of their agents or representatives, any products referred to in this agreement, but in case any such sales of vehicles referred to in this Paragraph 16 are made as a result of solicitation by De Soto or its representatives, to such preson, firm or corporation, De Soto agrees to pay Seventy-five Dollars ($75.00) for each vehicle so sold to Direct Dealer in whose sales area the sale was made. If such sale last above referred to occurred in the sales area of more than one authorized dealer, De Soto will make equitable division of the said Seventy-five Dollars ($75.00) between the dealers affected. The decision of De Soto

on all matters in connection with claims arising under this paragraph 16 shall be final.

17.

Purchase and Supply of Parts

Direct Dealer and De Soto recognize the importance to them, to the public and to the owners of De Soto and Plymouth products that the products be safe and operable in accordance with De Soto's standards of manufacture. Direct Dealer therefore agrees that he will not sell for use on De Soto or Plymouth motor vehicles any parts except such as are purchased from or have the written approval of De Soto.

Direct Dealer agrees at all times to keep on hand in his own place of business and with his dealers a supply of then current De Soto and Plymouth parts sufficient to supply adequately the requirements of the sales area allotted to Direct Dealer.

Direct Dealer agrees to maintain an adequate stock record system; agrees upon request but not more often than once in each calendar year to provide De Soto, on forms to be furnished by it, with detailed identified inventories of De Soto and Plymouth parts; such records and inventories being for the purpose of enabling De Soto to counsel with Direct Dealer on Direct Dealer's continuous and adequate stock of parts consistent with the requirements of Direct Dealer's sales area.

18.

Advertising

Direct Dealer recognizes that advertising of De Soto and Plymouth products may affect other dealers and De Soto. For the protection of good will in De Soto and Plymouth products, Direct Dealer, in the sale of De Soto and Plymouth motor vehicles, agrees to use only advertising that is supplied or approved by De Soto or that conforms to the policies of De Soto, and to the provisions of this agreement; and agrees to discontinue advertising disapproved by De Soto.

19.

Waiver of Default

No waiver by De Soto of any default in the performance of any part of this agreement by Direct Dealer shall apply to or be deemed a waiver of any other default hereunder.

20.

Legal Interpretation

This agreement shall be interpreted and construed according to the laws of the State of Michigan, and shall bind the heirs, executors, administrators, successors and assigns of both parties. If it shall be found that any portion of this agreement violates in any particular any law of the United States or of any state in the United States having jurisdiction, such portion or portions of the agreement shall be of no force and effect in that political unit, division

or subdivision in which they are illegal or unenforceable, and the agreement shall be treated as if such portion or portions had not been inserted.

21.

Chrysler Motors of California

Wherever in this agreement the word "De Soto" is used, it shall be construed to include the words "and/or Chrysler Motors of California" the same as though they were written therein.

22.

Definition of Words "Motor Vehicles"

The words "motor vehicle" or "motor vehicles," wherever used in this agreement, shall be taken to include De Soto and/or Plymouth chassis, passenger cars, delivery and commercial cars.

23.

Collection of Indebtedness

De Soto shall have the right to apply upon the payment of any amount due De Soto from Direct Dealer, any sum of money or part thereof belonging to Direct Dealer which may be in De Soto's possession, and De Soto may at its option collect any sums owing by Direct Dealer to De Soto by separate draft or by including such sums in any draft covering the purchase of motor vehicles. Direct Dealer shall pay with the amount of each draft all exchange and collection charges.

24.

Force Majeure

Neither De Soto nor Direct Dealer will be liable for failure to perform its part of this agreement when the failure is due to fire, flood, strikes or other industrial disturbances, inevitable accident, war, riot, insurrection or other causes beyond the control of the parties.

25.

Signature

This agreement to be valid must bear the signature of a duly authorized officer or executive of De Soto; also the signature of a duly authorized officer or executive of Direct Dealer if a corporation; or the signature of one of the partners of Direct Dealer if a partnership; or the signature of Direct Dealer if an individual.

Acceptance Recommended:

By /s/ JAMES B. WOOD,
District Manager;

By /s/ A. H. LANGRIDGE,
Regional Manager.

In Witness Whereof, the parties hereto have signed this agreement which is finally executed at Detroit, Michigan, in duplicate, this 12th day of December, 1949.

RENNIE & LAUGHLIN, INC.,
(Direct Dealer—Firm Name)

By /s/ J. C. RENNIE,
President.
(Individual authorized to sign)

CHRYSLER CORPORATION,

By /s/ J. B. WAGSTAFF,
General Sales Manager—
De Soto Division.

Received December 12, 1949.

EXHIBIT B

No. 3538
Duplicate for Direct Dealer

Sales Agreement
Between
De Soto Direct Dealer
and
Chrysler Corporation
De Soto Division

No. 3538
Duplicate for Direct Dealer

Memorandum of Sales Locality
and Dealers Management

This memorandum hereby is made a part of De Soto Direct Sales Agreement dated the 20th day of February, 1952, and bearing the same number as this Memorandum.

1.

Sales Locality

The Sales Locality for resale in which Direct Dealer shall have the non-exclusive right to purchase from De Soto De Soto and Plymouth motor vehicles and De Soto and Plymouth motor vehicle parts and accessories is as follows: Los Angeles, California, and vicinity.

The Sales Zone in which Direct Dealer will provide and maintain adequate facilities for selling and servicing De Soto and Plymouth vehicles is as follows:

Zone No. 1 Boundaries:

Bounded by a line starting at a point formed by the intersection of Santa Barbara Avenue and Figueroa Street; North on Figueroa Street to the intersection of Exposition Boulevard and Hoover Street; North on Hoover Street to Beverly Boulevard; then East and South on Beverly Boulevard to 2nd Street; East and South on 2nd Street to Alameda Street; North on Alameda Street to 1st Street; East on 1st Street to Mission Road; North on Mission Road to the intersection of Macy Street; then Northeast on Mission Road and Huntington Drive to Eastern Avenue; then South on Eastern Avenue to Valley Boulevard; thence South and West on a straight line to the intersection of Brooklyn Avenue and Lorena Street; continue South and West on Lorena Street to the A.T.&S.F.R.R. tracks; thence North-

east on a straight line to the intersection of Alameda Street and Olympic Boulevard; South on Alameda Street to 25th Street; thence West along Pacific Electric carline to Central Avenue; South on Central Avenue to Jefferson; Northeast on Jefferson to Avalon Boulevard; South on Avalon Boulevard to Santa Barbara Avenue; West on Santa Barbara Avenue to Figueroa Street, the point of Beginning.

2.

Direct Dealer's Management

De Soto has entered into this agreement relying upon the active and substantial personal participating in the management of Direct Dealer's organization by J. C. Rennie, President.

3.

Direct Dealer's Capital Stock

If Direct Dealer is a corporation the persons that Direct Dealer represents in De Soto Direct Dealer Sales Agreement of which this Memorandum is a part own the capital stock of Direct Dealer are set forth below and the number of shares of capital stock that each owns is set forth opposite his name.

Name	Number of Shares Each Holds
J. C. Rennie, President	38,250
W. F. Laughlin, Vice Pres. & Treas.	36,750
Total Shares Outstanding	75,000

In witness whereof the parties to De Soto Direct Dealer Sales Agreement to which this memorandum is attached, have signed this memorandum which is finally executed at Detroit, Michigan, in duplicate this 20th day of February, 1952.

RENNIE & LAUGHLIN, INC.,
(Direct Dealer—Firm Name)

By /s/ J. C. RENNIE,
(Individual authorized to sign)
President.
(Title)

CHRYSLER CORPORATION,

By /s/ J. B. WAGSTAFF,
(General Sales Manager—
De Soto Division).

Attach Signed Memorandum of Sales Locality and Dealer's Management to this Page

De Soto Direct Dealer Sales Agreement

This Agreement is made by and between Rennie & Laughlin, Inc., located at 1220 E. 7th St., L.A., Los Angeles, California, a Corporation, below called Direct Dealer, and Chrysler Corporation, a Delaware Corporation, for its De Soto Division. Below called De Soto.

The parties agree as follows:

1.

Sales Locality and Place of Business

Direct Dealer shall have the non-exclusive right to purchase from De Soto De Soto and Plymouth motor vehicles and De Soto and Plymouth motor vehicle parts and accessories, for resale in the Sales Locality described in the Memorandum of Sales Locality and Dealer's Management signed by the parties hereto on the same date as this agreement, and bearing the identifying number above (hereinafter called the Sales Locality):

That Memorandum is hereby incorporated in and made a part of this agreement.

2.

Direct Dealer's Management

De Soto has entered into this agreement relying upon the active and substantial personal participating in the Management of Direct Dealer's business by the individuals named in the Memorandum of Sales Locality and Dealer's Management.

3.

Direct Dealer's Capital Stock

If Direct Dealer is a corporation, Direct Dealer represents that the persons named in the Memorandum of Sales Locality and Dealer's Management own the capital stock of Direct Dealer in the

amounts set forth opposite their names, and De Soto enters into this agreement relying upon their owning Direct Dealer's stock in those amounts.

4.

Selling

Direct Dealer will sell energetically the motor vehicles, parts and accessories he buys from De Soto and will provide and maintain in the Sales Locality adequate facilities for selling and servicing them.

Direct Dealer will render prompt, efficient and courteous service to De Soto and Plymouth customers, carrying out all the provisions of the Owner's Service Certificate.

5.

Prices and Terms of Purchase

De Soto will endeavor to advise Direct Dealer from time to time by bulletin or other postal or telegraphic communication of the prices and terms of purchase of the motor vehicles and parts and accessories Direct Dealer buys from De Soto, but De Soto reserves the right to change prices and terms of purchase without notice.

6.

Direct Dealer is not Agent

This Agreement does not create the relation of principal and agent between De Soto and Direct Dealer, and under no circumstances is either party to be considered the agent of the other.

7.

Change in Price on Current Models

De Soto agrees that should it reduce the price on any then current model De Soto or Plymouth motor vehicle, De Soto will refund to Direct Dealer in cash or by a credit against then current indebtedness an amount equal to the difference between the reduced price and the price at which Direct Dealer purchased each new, unused and unsold De Soto and Plymouth motor vehicle of that model that at the time of the reduction is in Direct Dealer's stock, provided Direct Dealer makes a written claim for refund, supported by evidence satisfactory to De Soto, within thirty (30) days of the effective date of the reduction in price.

De Soto will notify Direct Dealer of any increase in price on any then current model De Soto or Plymouth motor vehicle. Direct Dealer may cancel any unfilled and unshipped orders for motor vehicles affected by the price increase that he placed before De Soto gave the notice.

8.

Termination

Either party may terminate this agreement upon not less than ninety (90) days' written notice. Termination by De Soto shall not be effective unless the President, Vice-President or General Sales Manager of De Soto signs the notice.

Termination of this agreement shall cancel all unfilled orders for motor vehicles, parts and accessories. De Soto agrees to buy and Direct Dealer agrees to sell within ninety (90) days after the effective date of any termination under this paragraph 8:

(a) All new and unused then current model De Soto and Plymouth motor vehicles in good condition which were purchased by Direct Dealer from De Soto and are then the property of and in the possession of Direct Dealer, at the net invoice price to Direct Dealer current at the date of termination, including transportation charges paid by Direct Dealer, except vehicles built on Direct Dealer's specific order to other than De Soto standard specifications, which special vehicles, together with all special equipment pertaining thereto previously specified by Direct Dealer, may or may not be purchased by De Soto at De Soto's option.

(b) All new, unused and undamaged De Soto and Plymouth parts for the then current and three (3) preceding models, that were purchased by Direct Dealer from De Soto and/or any authorized Chrysler Corporation Parts Wholesaler, and are then the property of and in the possession of Direct Dealer, at the applicable prices therefor to Direct Dealer less maximum allowable discounts current at the date of termination, exclusive of transportation charges on them, less any necessary costs incurred by De Soto for refinishing or reconditioning parts to restore them to their original salable condition. Prior to purchases by De Soto, Direct Dealer

shall deliver the parts for inspection F.O.B. Factory or any other point De Soto shall designate.

(c) All signs of a type recommended by De Soto belonging to Direct Dealer, showing the names "De Soto" or "Plymouth," at a price to be mutually agreed upon by De Soto and Direct Dealer.

(d) All then current De Soto and Plymouth new, unused and undamaged accessories or accessories packages complete as supplied to and purchased by Direct Dealer from De Soto during the six (6) months immediately preceding the effective date of the termination and that are then the property of and in the possession of Direct Dealer at the applicable prices therefor to Direct Dealer less maximum allowable discounts current at the date of termination, exclusive of transportation charges on them paid by Direct Dealer. Prior to such purchase by De Soto, Direct Dealer shall deliver the accessories for inspection F.O.B. Factory or any other point designated by De Soto.

(e) Special tools of a type recommended by De Soto, adapted only to the servicing of De Soto and Plymouth motor vehicles and purchased by Direct Dealer during the twelve (12) months immediately preceding the effective date of the termination at a price and under terms and conditions to be agreed upon by De Soto and Direct Dealer.

Notwithstanding the provisions above, this agreement shall terminate automatically without notice from either party upon the death of direct Dealer if

he is an individual; or upon an attempted assignment of this agreement by Direct Dealer; or an assignment by Direct Dealer for the benefit of creditors; or the admitted insolvency of Direct Dealer or of any member of Direct Dealer if it is a partnership, or the institution of voluntary or involuntary proceedings by or against Direct Dealer in bankruptcy or under insolvency laws or for corporate reorganization, or for a receivership or for the dissolution of Direct Dealer.

9.

Transactions After Termination

After this agreement is terminated, if De Soto accepts orders from Direct Dealer or refers inquiries to Direct Dealer or takes any other action, De Soto's acts shall not renew this agreement or waive the termination. Nevertheless all such transactions shall be governed by the same terms that this agreement provides, so far as those terms are applicable.

10.

Use of Trade Names

Direct Dealer will not use in his corporate, firm, or individual name, or allow others to use in their corporate, firm, or individual names, insofar as he has power to prevent the use, the words "De Soto," "Plymouth," "MoPar" and/or any other name adopted by De Soto for motor vehicles, parts, accessories or service, or any words or names or combination of words or names closely resembling any of

them. Upon termination of this agreement Direct Dealer will discontinue immediately using names and trade-marks adopted or used by De Soto and signs, stationery, advertising, or anything else that might make it appear that he is an authorized dealer for De Soto or Plymouth motor vehicles, parts and accessories.

11.

Sales by De Soto

De Soto reserves the right to sell any products referred to in this agreement within the Sales Locality to other dealers or persons, Governmental Bodies, Fleet Buyers, Taxi-cab or Drive-It-Yourself Companies, so-called, or to businesses purchasing chassis in quantities for installing their own body equipment.

12.

Purchase and Supply of Parts

It is important to De Soto, to Direct Dealer, to the owners of De Soto and Plymouth products and to the general public that the products be safe and operable in accordance with De Soto's standards of manufacture. Direct Dealer therefore agrees that he will not sell, offer for sale or use in the repair of De Soto or Plymouth motor vehicles, as genuine new De Soto or Plymouth repair parts, any part or parts except those manufactured by or for De Soto, designed for use on De Soto and Plymouth products, and distributed by or having the written approval of De Soto.

Direct Dealer at all times will keep on hand in his own place of business a supply of De Soto and Plymouth parts sufficient to render adequate service to De Soto and Plymouth customers.

13.

Advertising

To protect its customers and the public and to maintain good will toward De Soto, Direct Dealer, and De Soto and Plymouth products, Direct Dealer, in selling and servicing De Soto and Plymouth motor vehicles, will use only advertising that conforms to the policies of De Soto or is specially ordered for Direct Dealer at his request by De Soto; and will discontinue advertising disapproved by De Soto.

14.

Collection of Indebtedness

De Soto may apply towards the payment of any amount due De Soto from Direct Dealer, any credit belonging to Direct Dealer, and De Soto at its option may collect any sums owing by Direct Dealer to De Soto by making a separate draft or by including such sums in any draft covering the purchase of motor vehicles. Direct Dealer shall pay with the amount of each draft all exchange and collection charges.

15.

Force Majeure

Neither Direct Dealer nor De Soto will be liable for failure to perform its part of this agreement

when the failure is due to fire, flood, strikes, or other industrial disturbances, inevitable accident, war, riot, insurrection or other causes beyond the control of the parties.

16.

Notices

Any notice required or permitted under this agreement shall be in writing and shall be sufficient if delivered personally, or deposited in a United States Post Office as registered mail, postage prepaid, addressed, as appropriate, either to the Direct Dealer at the place of business designated in this agreement, or at such other address as Direct Dealer may designate in writing to De Soto, or to De Soto, at 6000 Wyoming Avenue, Detroit 31, Michigan, or such other address as De Soto may designate in writing to Direct Dealer.

17.

Delivery of Motor Vehicles

De Soto may deliver motor vehicles by rail, haulaway, boat, or any other means of transport, or deliver them for driveaway, in conformance with the policy of De Soto at the time. De Soto may deliver motor vehicles to a carrier that De Soto selects consigned to the city or town where Direct Dealer's place of business is located (or to an unloading point located conveniently near that city or town) "to De Soto's order, notify Direct Dealer," or may deliver them directly to Direct Dealer at Detroit,

Michigan, or at any other point that De Soto hereafter may establish.

18.

Basis of Payment

Direct Dealer shall pay De Soto in lawful money of the United States of America for motor vehicles and for any extra features and equipment the purchase price thereof in cash in advance or on sight-draft against bill of lading, with collection charges, if any, added. Until further notice the purchase price shall be the then current direct dealer net prices at factory Detroit, Michigan, or at any other point that De Soto may establish and provisions for federal taxes, plus the following charges on each motor vehicle:

(a) Five Dollars ($5.00), which De Soto shall return to Direct Dealer on each motor vehicle that, in the opinion of De Soto, Direct Dealer accurately reports having sold and delivered to a customer; the report to be made on a Retail Delivery Record Form furnished by De Soto, properly filled in and mailed to De Soto not later than six (6) days after the date of sale to retail customer. De Soto shall remit to Direct Dealer before the end of the month following the month in which De Soto receives the Retail Delivery Record Form properly made out.

(b) A charge for special handling, whenever motor vehicles are decked, or staged, or when any special material and/or labor are employed in pre-

paring or handling vehicles for delivery to Direct Dealer.

(c) A charge for transportation and distribution in an amount to be determined by De Soto.

(d) A charge, if in effect at the time of shipment, for certificates of title, anti-freeze, and any other charges that are in effect at the time of shipment of motor vehicles to Direct Dealer.

19.

Title

The title to De Soto and Plymouth motor vehicles, parts and other merchandise that De Soto furnishes to Direct Dealer shall be and remain in De Soto until paid for in full, in cash. Negotiable instruments are received only as conditional payment.

20.

Acceptance of Orders

All orders are subject to acceptance by De Soto. Acceptance may be in part. De Soto shall not be liable for any loss or damage resulting from its not shipping or delivering goods ordered. De Soto will not ship motor vehicles to Direct Dealer except on Direct Dealer's order.

21.

Acceptance of Shipments

In the event Direct Dealer fails to pay sight-draft upon presentment, covering motor vehicles that he

has ordered, or fails to accept C.O.D. shipments of parts and/or other merchandise he has ordered, De Soto may divert the shipments to any other destination it may see fit, and charge Direct Dealer the demurrage, transport, storage and other expense arising by reason of the failure of Direct Dealer to accept and pay for shipments he has ordered.

22.

Risk of Loss or Damage

De Soto shall not be liable for loss or damage to any motor vehicles, parts or other merchandise after De Soto has delivered them to a carrier.

23.

Claims for Shortage

As a condition precedent to recovering for a shortage in any shipment, Direct Dealer must claim for it within ten (10) days after receiving the shipment, or in event of complete loss of shipment, then within three (3) months after date of shipment.

24.

Uniform Warranty

No warranties, express or implied, shall be deemed to have been made by either De Soto or the manufacturer of the products herein referred to, except the uniform warranty of the Automobile Manufacturers Association against defective materials or workmanship as follows:

"The Manufacturer warrants each new motor vehicle manufactured by it to be free from defects in material and workmanship under normal use and service, its obligation under this warranty being limited to making good at its factory any part or parts thereof, including all equipment or trade accessories (except tires) supplied by the Car Manufacturer, which shall, within ninety (90) days after making delivery of such vehicle to the original purchaser or before such vehicle has been driven four thousand (4,000) miles, whichever event shall first occur, be returned to it with transportation charges prepaid, and which its examination shall disclose to its satisfaction to have been thus defective; this warranty being expressly in lieu of all other warranties expressed or implied and of all other obligations or liabilities on its part, and it neither assumes nor authorizes any other person to assume for it, any liability in connection with the sale of its vehicles.

"This warranty shall not apply to any vehicle which shall have been repaired or altered outside of an authorized De Soto and/or Plymouth service station in any way so as, in the judgment of the Manufacturer, to affect its stability or reliability, nor which has been subject to misuse, negligence or accident."

In order to be entitled to credit for parts under the above warranty, Direct Dealer must return them, if De Soto requests Direct Dealer to do so, with all charges prepaid, within the period of war-

ranty, to De Soto, Detroit, Michigan, or any other point De Soto may hereafter establish, properly tagged, accompanied by such form properly filled in as De Soto may furnish from time to time, giving serial and motor numbers of the vehicle from which the parts were taken, the number of miles that the vehicle had been operated at the time the parts were removed, the name and address of the owner, the date of sale, and such other and further information as De Soto may require. All parts returned must be accompanied by Notice of Disposal in case claim for defect is not allowed. In the absence of that Notice, De Soto may dispose of the parts and not be liable to Direct Dealer or any other person for them.

25.

Change of Models, Parts and Accessories Declared Obsolete or Discontinued

De Soto at any time may discontinue any models; it may revise, change or modify their construction or classification; and all orders refer to models current at the time De Soto receives the orders unless otherwise specified. De Soto at any time may declare obsolete, or may discontinue, any or all parts and accessories for any of its motor vehicles. De Soto may act under this paragraph 25 without notice, and without incurring any obligation to Direct Dealer by reason of his previous purchases.

26.

Prices to Direct Dealer on Parts

De Soto from time to time will notify Direct Dealer of the prices and terms of purchase of De Soto and Plymouth repair parts. Until further notice, De Soto and Plymouth parts shall be billed to Direct Dealer at the then current net prices or discounts off factory retail prices at factory, Detroit, Michigan, or at any other point De Soto may hereafter establish.

27.

Delivery of Parts

De Soto may deliver parts to Direct Dealer by delivering to a carrier consigned to the city or town where Direct Dealer's place of business is located, or by delivering directly to Direct Dealer at loading docks at Detroit, Michigan, or any other point that De Soto hereafter may establish.

28.

Legal Interpretation

This agreement shall be interpreted and construed according to the laws of the State of Michigan. If it shall be found that any part of this agreement conflicts in any particular with any law of the United States or of any state in the United States having jurisdiction, such part or parts of the agreement shall be of no force and effect in that political unit, division or subdivision in which they are illegal or unenforceable, and the agreement as

to that political unit, division or subdivision, shall be treated as if such part or parts had not been inserted.

29.

Former Agreements and Waiver, Modification or Assignment of this Agreement

This is the entire agreement between the parties relating to the purchase of Direct Dealer of new De Soto and Plymouth motor vehicles from De Soto for resale, and it cancels and supersedes all earlier agreements, written or oral, between De Soto and Direct Dealer, relating to the purchase by Direct Dealer of De Soto and Plymouth Motor vehicles.

No waiver, modification or change of any of the terms of this agreement shall be binding on De Soto, unless in writing and signed by the President, Vice-President or General Sales Manager of De Soto. No change or erasure of any printed part of this agreement or addition to it (except filling in of blank spaces and lines) shall be valid or binding upon De Soto, unless approved in writing by the President, Vice-President or General Sales Manager of De Soto.

Direct Dealer may not assign this agreement without the written consent of De Soto, executed by the President, Vice-President or General Sales Manager of De Soto.

30.

Signature

This agreement to be valid must bear the signature of the President, Vice-President or General

Sales Manager of De Soto; also the signature of a duly authorized officer or executive of Direct Dealer if a corporation; or the signature of one of the partners of Direct Dealer if a partnership; or the signature of Direct Dealer if an individual.

In Witness Whereof, the parties hereto have signed this agreement which is finally executed at Detroit, Michigan, in duplicate, this 20th day of February, 1952.

RENNIE & LAUGHLIN Inc.,
(Direct Dealer—Firm Name)

By /s/ J. C. RENNIE,
(Individual Authorized to Sign)
President.

CHRYSLER CORPORATION,

By /s/ J. B. WAGSTAFF,
General Sales Manager—
De Soto Division.

Received February 14, 1952.

Duly verified.

Complaint Amended, April 5, 1956.

[Endorsed]: Filed August 8, 1955.

[Title of District Court and Cause.]

STIPULATION EXTENDING TIME FOR DEFENDANT TO ANSWER OR OTHERWISE PLEAD

It Is Hereby Stipulated by and between plaintiff Rennie & Laughlin, Inc., a California corporation, and defendant Chrysler Corporation, a Delaware corporation, through their respective attorneys, that the above-mentioned defendant Crysler Corporation may have to and including March 9, 1956, in which to answer or otherwise plead with respect to the Complaint herein. This stipulation is made to grant defendant adequate time within which to ascertain the facts required to plead to the Complaint.

Dated: February 16, 1956.

SPRAY, GOULD & BOWERS,

By /s/ ROBERT E. FORD,
Attorneys for Plaintiff.

McCUTCHEN, BLACK, HARNAGEL & GREENE,
G. WILLIAM SHEA,
JACK T. SWAFFORD,

By /s/ JACK T. SWAFFORD,
Attorneys for Defendant.

It Is So Ordered This 16th day of February, 1956.

/s/ JAMES M. CARTER,
Judge of the United States
District Court.

[Endorsed]: Filed February 16, 1956.

[Title of District Court and Cause.]

NOTICE OF MOTION UNDER RULE 12, FEDERAL RULES OF CIVIL PROCEDURE, FOR A DISMISSAL OF THE COMPLAINT HEREIN FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED, AND, IN THE ALTERNATIVE, FOR A MORE DEFINITE STATEMENT

To the Above-Named Plaintiff and Spray, Gould & Bowers, Its Counsel:

You will please take notice that defendant Chrysler Corporation will move this court in Court Room 3 of the United States Post Office and Court House Building, 312 North Spring Street, in the City of Los Angeles, State of California, on March 12, 1956, at 10:00 o'clock a.m., or as soon thereafter as counsel can be heard, as follows:

1. For a dismissal of the complaint herein under Rule 12(b)(6) of the Federal Rules of Civil Procedure because it fails to state a claim against defendant upon which relief can be granted.

And, in the alternative,

2. Under Rule 12 (e) of the Federal Rules of Civil Procedure, for a more definite statement because of the following defects in said complaint:

(a) Defendant cannot ascertain from the existing allegations of Paragraph VIII of the complaint what representative of defendant was advised by plaintiff in September, 1951, that plaintiff desired to sell its business. Defendant also cannot ascertain whether such advice was given orally or in writing. Defendant is further unable to know from the existing allegations what agents of defendant advised plaintiff that such agents would secure a buyer for plaintiff and whether such advice was given orally or in writing.

(b) Defendant cannot ascertain from the existing allegations of Paragraph IX of the complaint who were the agents of defendant referred to in said paragraph.

(c) Defendant cannot ascertain from the existing allegations of Paragraph X of the complaint what representatives or employees of defendant had the knowledge and gave the consent attributed to defendant by the allegations in Paragraph X. Defendant also is unable to learn from the allegations of Paragraph X whether the "final sale" referred to therein was made by an oral or written agreement.

(d) Defendant is unable to ascertain from the allegations of Paragraph XI of the complaint what

employees or representatives of defendant acted on behalf of defendant in the alleged advice by defendant to plaintiff that defendant would not consent to plaintiff's sale of its business and whether such advice was given orally or in writing.

(e) Defendant cannot ascertain from the allegations of Paragraph XIII of the complaint whether the management contract therein referred to was oral or in writing or what the date of said contract was.

(f) Defendant cannot ascertain from the allegations of Paragraph XIV of the complaint what the dollar amount of the losses therein referred to were or the period in which said losses were sustained.

Said motions will be based upon the complaint herein, this notice of motion and the memorandum of points and authorities attached hereto and filed herewith.

Dated: February 29, 1956.

McCUTCHEN, BLASK, HARNAGEL & GREENE,
G. WILLIAM SHEA,
PHILLIP K. VERLEGER,
JACK T. SWAFFORD,

By /s/ G. WILLIAM SHEA,
Attorneys for Defendant,
Chrysler Corporation.

Receipt of Copy acknowledged.

[Endorsed]: Filed March 1, 1956.

[Title of District Court and Cause.]

STIPULATION RE CONTINUANCE OF MOTION

It Is Hereby Stipulated by and Between the Parties Hereto, through their respective counsel, that the above-entitled motion heretofore set for March 12th, 1956, at 10:00 o'clock a.m., in Courtroom No. 6 of the above-entitled Court, may be continued to March 19th, 1956, at the same time and place.

Dated March 8th, 1956.

SPRAY, GOULD & BOWERS,

By /s/ CHARLES P. GOULD,
Attorneys for Said Plaintiff.

McCUTCHEN, BLACK, HARNAGEL & GREENE,
G. WILLIAM SHEA,
PHILIP K. VERLEGER,
JACK T. SWAFFORD,

By /s/ JACK T. SWAFFORD,
Attorneys for Defendant,
Chrysler Corporation.

It Is So Ordered.

/s/ ERNEST A. TOLIN,
Judge.

[Endorsed]: Filed March 9, 1956.

[Title of District Court and Cause.]

STIPULATION RE

1. Withdrawal of Motion to Dismiss and Alternative Motion.
2. Filing Amended Complaint.
3. Time Within Which Answer or Other Pleading to the Complaint Shall Be Filed.

Whereas, on March 1, 1956, defendant filed a motion to dismiss the complaint for failure to state a claim upon which relief can be granted, or in the alternative, for a more definite statement, which motions were set for hearing on March 12, 1956, and

Whereas, at plaintiff's request the hearing on said motions was continued to March 19, 1956, at 10:00 o'clock a.m., in Courtroom No. 6 in the above-entitled court, and

Whereas, plaintiff desires to file an amended complaint so as to supply the deficiencies set forth in the alternative motion for a more definite statement.

It Is Hereby Stipulated by and between the parties hereto, through their respective counsel:

1. That defendant's motions to dismiss the complaint for failure to state a claim upon which relief can be granted, and in the alternative, for a more definite statement, are withdrawn without prejudice to defendant, and defendant if it desires may file a new motion to dismiss upon the same ground or any other ground, and it may file a new motion for

a more definite statement based upon any claimed deficiencies in the amended complaint, whether complained about in the present motion or not;

2. That defendant's motion to dismiss shall not be deemed a "responsive pleading" within the meaning of Rule 15(a) of the Federal Rules of Civil Procedure, and that plaintiff may file an amended complaint in the above-entitled action; and

3. That defendant may have to and including April 6, 1956, within which to answer or otherwise plead to the complaint now on file herein.

Dated: March 14, 1956.

McCUTCHEN, BLACK, HARNAGEL & GREENE,
G. WILLIAM SHEA,
PHILIP K. VERLEGER,
JACK T. SWAFFORD,

By /s/ JACK T. SWAFFORD,
Attorneys for Defendant.

SPRAY, GOULD & BOWERS,
CHARLES P. GOULD,

By /s/ L. R. FRANKLEY,
Attorneys for Plaintiff.

It Is So Ordered.

Dated this 15th day of March, 1956.

/s/ ERNEST A. TOLIN.
Judge.

[Endorsed]: Filed March 15, 1956.

[Title of District Court and Cause.]

AMENDED COMPLAINT
(Breach of Contract)

Comes Now the Plaintiff and for cause of action against the defendant, complains and alleges, as follows:

I.

That at all times herein mentioned plaintiff was and now is a corporation duly organized under the laws of the State of California.

II.

That at all times herein mentioned defendant was and now is a corporation duly organized under and by virtue of the laws of the State of Delaware.

III.

That on or about the 12th day of December, 1949, Plaintiff and Defendant entered into a certain contract in writing in the State of Michigan, a copy of which is attached hereto as Exhibit A, and made a part hereof.

IV.

That by reason of said contract herein annexed as Exhibit A, Plaintiff was made a direct dealer by Defendant, with a non-exclusive right to purchase DeSoto and Plymouth motor vehicles and parts and accessories thereof for re-sale in the vicinity of Los Angeles, California, under the terms and conditions as are more fully set forth under said contract.

V.

That from the date of said contract, annexed hereto as Exhibit A, to wit, December 12, 1949, Plaintiff operated as a DeSoto and Plymouth Dealer in the vicinity of Los Angeles continuously through the period covered by this complaint.

VI.

That on or about the 20th day of February, 1952, Plaintiff and Defendant entered into a certain contract in writing in the State of Michigan, a copy of which is attached hereto as Exhibit B, and made a part hereof, under the terms of which Plaintiff continued to represent Defendant as a DeSoto and Plymouth Dealer in the vicinity of Los Angeles, California.

VII.

During the period commencing in the month of April, 1951, Plaintiff sustained an operating loss in its business as a direct Dealer for Defendant, which operating loss continued during the subsequent months of 1951; and in the month of July, 1951, President of Plaintiff corporation, and the active manager of Plaintiff's business, J. C. Rennie, sustained a heart attack which resulted in his hospitalization during July, and prevented the said J. C. Rennie from being able to devote his time and efforts to Plaintiff corporation.

VIII.

Due to the aforesaid losses being sustained by Plaintiff and the ill health of the President of

Plaintiff corporation, in September, 1951, Plaintiff advised Defendant through its Regional Manager, A. H. Langridge, acting for and on behalf of said Defendant, of its desire to sell its business. The said A. H. Langridge advised Plaintiff that Defendant would secure a buyer for Plaintiff corporation who was not only financially able to purchase said business, but one who would be acceptable to Defendant.

IX.

On or about the 1st day of October, 1951, Plaintiff corporation commenced negotiations with one Darwin C. McCredie and one George Peck for the purchase of Plaintiff's business, said buyers having been referred to Plaintiff corporation by the said A. H. Langridge acting for and on behalf of Defendant.

X.

Thereafter, with the full knowledge and consent of the said A. H. Langridge and other agents of Defendant, negotiations were had with said prospective purchasers which resulted in a final sale being made of Plaintiff's business to said prospective buyers on October 26, 1951; and by the terms of said agreement of sale said prospective buyers agreed to pay Plaintiff corporation Sevently-Seven Thousand Nine Hundred Twenty-one and 69/100 ($77,921.69) Dollars, and in addition thereto said prospective purchasers agreed to assume the lease under which Plaintiff corporation was operating its business and assume all business and coroprate expenses after the date of said sale; and it was fur-

ther agreed, on said date, that the formal contract of sale would be made on the 27th day of October, 1951, and the purchase price paid at that time.

XI.

On or about the 27th day of October, 1951, prior to the completion of said sale, the said A. H. Langridge advised the said Darwin C. McCredie and George Peck that Defendant had revoked its consent to the sale, whereupon the said McCredie and Peck refused to complete the said sale.

XII.

On or about the 6th day of November, 1951, Defendant's General Sales Manager, J. B. Wagstaff, advised Plaintiff that although Defendant had approved of the sale to the said McCredie and Peck, it had decided to revoke its consent in order to decrease the number of dealers in the area.

XIII.

That having consented to the aforesaid sale to said purchasers, Defendant's subsequent revocation of said consent constituted a breach of said sales contract annexed hereto as Exhibit A.

XIV.

That by reason of the failure and refusal of Defendant to consent to said sale of said business it was necessary that Plaintiff corporation enter into a management contract with said prospective purchasers wherein and whereby Plaintiff turned

over to said purchasers its entire business on a management basis.

XV.

Thereafter, by reason of continued losses during said management period, said business was closed by Plaintiff corporation and Plaintiff discontinued operating as a direct dealer for Defendant.

XVI.

That at all times herein mentioned Plaintiff fully performed all things required of Plaintiff by the terms of said contract, Exhibit A attached hereto.

XVII.

That by reason of the breach of said contract by Defendant by refusing to approve the sale of said business by Plaintiff as aforesaid, Plaintiff was not paid and received no part of said sale price for said business, to wit, the sum of Seventy-Seven Thousand Nine Hundred Twenty-one and 69/100 ($77,921.69) Dollars, all to Plaintiff damage in said sum.

XVIII.

As a further proximate result of said Defendant's breach of said contract, plaintiff corporation, in the operation of its business from the date of the refusal of Defendants to allow the sale of the said business, to wit, the 27th day of October, 1951, to the date said business was finally terminated and closed, to wit, on the 31st day of March, 1954, Plaintiff corporation sustained losses in the amount of One Hundred Two Thousand Six Hundred Eighty-

six and 64/100 ($102,686.64) Dollars, all to Plaintiff's further damage in said sum.

XIX.

Plaintiff, by reason of the acts of Defendant in refusing to permit the sale of said business of Plaintiff as aforesaid, and as a proximate result thereof, sustained damage to Plaintiff's reputation as an automobile dealer in the vicinity of Los Angeles, Californita which damage was irreparable, all to Plaintiff's further damage in the sum of Three Hundred Thousand and no/100 ($300,000.00) Dollars.

XX.

That the acts of Defendant as aforesaid in refusing to permit said sale and transfer of plaintiff's business were without cause and arbitrary.

Wherefore, Plaintiff prays for judgment against the Defendant as follows:

1. The sum of Seventy-seven Thousand Nine Hundred Twenty-one and 69/100 ($77,921.69) Dollars, by reason of the loss of the sale of Plaintiff corporation;

2. The sum of Seventy-Seven Thousand Nine Hundred Twenty-one and 69/100 ($77,921.69) Dollars, by reason of the breach of said contract by said Defendant;

3. The sum of One Hundred Two Thousand Six Hundred Eighty-six and 64/100 ($103,686.64) Dollars, by reason of Plaintiff's further damage as result of sustained losses;

4. The sum of Three Hundred Thousand ($300,000.00) Dollars, by reason of sustained damage to Plaintiff's reputation as an automobile dealer;

5. For costs of suit incurred herein; and,

6. For such other and further relief as to the Court seems meet and proper in the premises.

SPRAY, GOULD & BOWERS,

By /s/ CHARLES P. GOULD,
Attorneys for Plaintiff.

Duly Verified.

Affidavit of Service by Mail attached.

[Endorsed]: Filed April 5, 1956.

[Title of District Court and Cause.]

STIPULATION EXTENDING TIME TO ANSWER WITH RESPECT TO COMPLAINT AND AMENDED COMPLAINT WHEN SERVED AND FILED

It Is Hereby Stipulated by and between the parties hereto, through their respective counsel, that the defendant shall have twenty additional days from the date hereof to answer or otherwise plead to the complaint now on file herein.

This extension of time is given because the plaintiff has not yet served and filed the amended complaint which plaintiff was given permission to do so

by stipulation of the parties herein dated March 14, 1956. When such amended complaint is filed, defendant's time to answer such amended complaint or otherwise plead with respect thereto shall extend through twenty days from the service on defendant's counsel of such amended complaint. If service is made by mail, two additional days will be granted so that defendant will have in all twenty-two days.

Dated: April 6, 1956.

McCUTCHEN, BLACK, HARNAGEL & GREENE,
G. WILLIAM SHEA,
PHILIP K. VERLEGER,
JACK T. SWAFFORD,

By /s/ JACK T. SWAFFORD,
Attorneys for Defendant.

SPRAY, GOULD & BOWERS,
CHARLES P. GOULD,

By /s/ ROBERT E. FORD,
Attorneys for Plaintiff.

It Is So Ordered this 6th day of April, 1956.

/s/ ERNEST A. TOLIN,
Judge.

[Endorsed]: Filed April 6, 1956.

[Title of District Court and Cause.]

NOTICE OF MOTION UNDER RULE 12 FEDERAL RULES OF CIVIL PROCEDURE FOR A DISMISSAL OF THE AMENDED COMPLAINT HEREIN FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED

To the Above Named Plaintiff and Spray, Gould & Bowers, Its Counsel:

You will please take notice that defendant Chrysler Corporation will move this Court in Courtroom 6 of the United States Post Office and Courthouse Building, 312 North Spring Street, in the City of Los Angeles, State of California, on May 7, 1956, at 10 o'clock a.m., or as soon thereafter as counsel can be heard, as follows:

1. For dismissal of the amended complaint herein under Rule 12(b)(6) of the Federal Rules of Civil Procedure because it fails to state a claim against defendant upon which relief can be granted.

Said motion will be based upon the amended complaint herein, this notice of motion and the memorandum of points and authorities attached hereto and filed herewith.

Dated: April 26, 1956.

McCUTCHEN, BLACK, HARNAGEL & GREENE,
G. WILLIAM SHEA,

PHILIP K. VERLEGER,
JACK T. SWAFFORD,

By /s/ G. WILLIAM SHEA,
Attorneys for Defendant,
Chrysler Corporation.

Receipt of Copy acknowledged.

[Endorsed]: Filed April 27, 1956.

United States District Court for the Southern District of California, Central Division

No. 18,518-T

RENNIE & LAUGHLIN, INC., a California Corporation,

Plaintiff,

vs.

CHRYSLER CORPORATION, a Delaware Corporation,

Defendant.

ORDER SUSTAINING MOTION TO DISMISS AMENDED COMPLAINT FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED

Defendant's motion under Rule 12 of the Federal Rules of Civil Procedure for a dismissal of the amended complaint herein for failure to state a claim upon which relief can be granted having come on for hearing on May 7, 1956, before the

Honorable Ernest A. Tolin, in Courtroom 6 of the United States Post Office and Courthouse Building, and the Court, having reviewed said motion and 312 North Spring Street, Los Angeles, California, and the Court, having reviewed said motion and supporting papers and plaintiff's memorandum of points and authorities in opposition to said motion and having heard the arguments of counsel for the respective parties, and said motion having been taken under submission by the Court,

It Is Hereby Ordered, Adjudged and Decreed that the amended complaint fails to state a claim upon which relief can be granted and that the amended complaint and this action be and they are hereby dismissed.

Dated: May 11, 1956.

/s/ ERNEST A. TOLIN,
United States District Judge.

Approved as to form:

SPRAY, GOULD & BOWERS,

By /s/ C. W. BOWERS,
Attorneys for Plaintiff.

Receipt of Copy acknowledged.

[Endorsed]: Filed May 14, 1956.

Docketed and entered May 15, 1956.

[Title of District Court and Cause.]

NOTICE OF APPEAL

Notice Is Hereby Given that Rennie & Laughlin, Inc., plaintiff above named hereby appeals to the United States Court of Appeals for the Ninth Circuit from the Order Sustaining Motion to Dismiss Amended Complaint for Failure to State a Claim Upon Which Relief Can Be Granted entered in this action on the 15th day of May, 1956.

Dated June 12th, 1956.

SPRAY, GOULD & BOWERS,

By /s/ CHARLES P. GOULD,
Attorneys for Appellant.

Receipt of copy acknowledged.

[Title of District Court and Cause.]

UNDERTAKING FOR COSTS ON APPEAL

Know All Men My These Presents, that Fidelity and Deposit Company of Maryland, a corporation, organized and existing under the laws of the State of Maryland, and duly licensed to transact business in the State of California, is held and firmly bound unto the Defendant in the above case, in the penal sum of Two Hundred Fifty and No/100 Dollars ($250.00), to be paid to said Defendant, its successors, assigns or legal representatives, for which payment well and truly to be made, the Fidelity and

Deposit Company of Maryland binds itself, its successors and assigns firmly by these presents.

The Condition of the Above Obligation Is Such, That Whereas, Rennie & Laughlin, Inc., a California Corporation, is about to take an appeal to the United States Court of Appeals for the Ninth Circuit from that judgment heretofore entered in this action May 15, 1956.

Now, Therefore, if the above-named appellant shall prosecute said appeal to effect and answer all costs which may be adjudged against it if the appeal is dismissed, or the judgment affirmed, or such costs as the Appellate Court may award if the judgment is modified, then this obligation shall be void; otherwise to remain in full force and effect.

It Is Hereby Agreed By the Surety that in case of default or contumacy on the part of the Principal or Surety, the Court may, upon notice to them of not less than ten days, proceed summarily and render judgment against them or either of them, in accordance with their obligation and award execution thereon.

Signed, Sealed and Dated this 11th day of June, 1956.

FIDELITY AND DEPOSIT COMPANY OF MARYLAND,

By /s/ CARL HANNEMANN,
Attorney in Fact.

Examined and recommended for approval as provided in Rule 8.

/s/ CHARLES P. GOULD.

Approved this 13th day of June, 1956.

/s/ M. E. THOMPSON,
Deputy.

[Endorsed]: Filed June 13, 1956.

[Title of District Court and Cause.]

CERTIFICATE OF CLERK

I, John A. Childress, Clerk of the United States District Court for the Southern District of California, do hereby certify that the foregoing pages numbered 1 to 90, inclusive, contain the original

Complaint;

Stipulation Extending Time for Defendant to Answer;

Notice of Motion for a Dismissal of the Complaint, etc.;

Stipulation re: Continuance of Motion;

Stipulation re: Withdrawal of motion to dismiss and alternative motion, filing amended complaint, and time within which answer or other pleading to the complaint shall be filed;

Amended complaint;

Stipulation extending time to answer with

respect to complaint and amended complaint when serviced and filed;

Notice of Motion for a dismissal of the amended complaint herein for failure to state a claim upon which relief can be granted;

Order sustaining motion to dismiss amended complaint for failure to state a claim upon which relief can be granted;

Notice of appeal;

Designation of Contents of record on appeal;

which, together with a full, true and correct photostatic copy of cost bond on appeal, all in the above-entitled cause, constitute the transcript of record on appeal to the United States Court of Appeals for the Ninth Circuit, in the above case.

I further certify that my fees for preparing the foregoing record amount to $2.00, which sum has been paid by appellant.

Witness my hand and seal of the said District Court this 17th day of July, 1956.

[Seal] JOHN A. CHILDRESS,
Clerk,

By /s/ CHARLES E. JONES,
Deputy.

[Endorsed]: No. 15210. United States Court of Appeals for the Ninth Circuit. Rennie & Laughlin, Inc., a Corporation, Appellant, vs. Chrysler Corporation, Appellee. Transcript of Record. Appeal from the United States District Court for the Southern District of California, Central Division.

Filed July 18, 1956.

July 25, 1956.

/s/ PAUL P. O'BRIEN,
Clerk of the United States Court of Appeals for the Ninth Circuit.

United States Court of Appeals
for the Ninth Circuit

No. 15210

RENNIE & LAUGHLIN, INC., a California Corporation,

Appellant,

vs.

CHRYSLER CORPORATION, a Delaware Corporation,

Appellee.

APPELLANT'S STATEMENT OF POINTS
(Rule 17) (6)

Now comes the Appellant, Rennie & Laughlin, Inc., and states that the following points will be relied upon by Appellant in its appeal of the above-entitled matter:

1. The Court erred in granting motion for dismissal of the amended complaint for failure to state a claim upon which relief can be granted.

2. The amended complaint stated facts sufficient to constitute a cause of action.

Dated July 25th, 1956.

SPRAY, GOULD & BOWERS,

By /s/ CHARLES P. GOULD,
Attorneys for Appellant.

Affidavit of mailing attached.

[Endorsed]: Filed July 27, 1956.